

From: s22
To: [Media Liaison](#)
Subject: FW: Urgent fact check - negative gearing [SEC=UNCLASSIFIED]
Date: Tuesday, 13 November 2018 8:43:47 AM

From: Media Liaison
Sent: Monday, 8 January 2018 11:56 AM
To: s22
Cc: Media Liaison; s22 Kenna,
Shannon; s22
Subject: RE: Urgent fact check - negative gearing [SEC=UNCLASSIFIED]

Hi s22

Please see a combined Treasury response to the fact check – it includes input from MECD and MMPD. I can put you in touch with the relevant policy teams if you have any questions.

Thank you,

s22

[MMPD] The first statement is not consistent with our advice. We did not say that the proposed policies 'will' reduce house prices. We said that they 'could' put downward pressure on house prices in the short-term depending on what else was going on in the market at the time, but in the long-term they were unlikely to have much impact. [IITD] We have also previously noted that the CGT discount would be *halved* under the approach by Labor.

In relation to the second and third statement, MECD has provided some revisions, see below:

Housing ~~investment wealth is more than makes up around~~ two thirds of Australian households' net worth. (Note: We calculate housing wealth as 65.3 per cent of total household net worth, so it is incorrect to say more than two thirds).

The advice from Treasury was received two years ago, before macroprudential changes that have seen ~~annual growth in~~ Sydney house prices reduce from ~~15~~ 16 per cent to ~~five~~ 3 per cent in six months.

s22

A/g Manager, Media and Speeches Unit

#s22

From: s22
Sent: Monday, 8 January 2018 11:43 AM
To: Media Liaison
Subject: RE: Urgent fact check - negative gearing [SEC=UNCLASSIFIED]

Hey s22

Would appreciate a response by midday.

Thanks,


s22

From: Media Liaison
Sent: Monday, 8 January 2018 10:43 AM
To: s22 ; Media Liaison
Cc: s22
Subject: RE: Urgent fact check - negative gearing [SEC=UNCLASSIFIED]

Hi s22 we're looking at this now.

Thanks,

s22


A/g Manager, Media and Speeches Unit
#s22

From: s22
Sent: Monday, 8 January 2018 10:37 AM
To: Media Liaison
Cc: s22
Subject: Urgent fact check - negative gearing [SEC=UNCLASSIFIED]

Hey s22

Can I please have the below statements fact-checked?

The documents released by Treasury confirm what we have been saying all along – that Labor's policy to increase capital gains tax by 50 per cent and abolish negative gearing will reduce house prices.

Housing investment is more than two thirds of Australian households' net worth.

The advice from Treasury was received two years ago, before macroprudential changes that have seen Sydney house prices reduce from 15 per cent to five per cent in six months.

Thanks,

s22


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